



Sam Brownback

UNITED STATES SENATOR ■ KANSAS

303 Hart Senate Office Building • Washington DC 20510 • (202) 224-8950

FOR IMMEDIATE RELEASE

News Release

October 20, 1999

CONTACT ERIK HOTMIRE

BROWNBACK INTRODUCES WIRELESS LEGISLATION

WASHINGTON -- U.S. Sen. Sam Brownback today introduced the Mobile Telecommunications Sourcing Act of 1999. The legislation is co-sponsored by U.S. Senator Byron Dorgan and supported by the National Governors' Association, the National League of Cities, and the Cellular Telecommunications Industry Association.

"This legislation represents an historic agreement between state and local governments and the wireless industry to bring sanity to the way wireless telecommunications services are taxed," Brownback said. "For as long as we have had wireless telecommunications in this country, we have had a taxation system that is incredibly complex for carriers and costly for consumers.

"By creating this uniform system, Congress would greatly simplify the taxation and billing of wireless calls. The wireless industry would not have to keep track of multiple taxing laws for each wireless transaction. State and local taxing authorities would be relieved of burdensome audit and oversight responsibilities without losing the authority to tax wireless calls. And consumers would enjoy lower wireless prices and fewer billing headaches.

"The Mobile Telecommunications Sourcing Act is a win-win-win. It's a win for industry, a win for government, and a win for consumers. I thank Senator Dorgan for working with me in crafting this bill. And, most of all, I thank industry and government for coming together and reaching agreement on this important issue," Brownback said.

Currently, many different taxing authorities can tax the same wireless call. The farther you travel during a call, the greater the number of taxes that can be imposed upon it. As wireless calls represent an increasing portion of the total number of calls made throughout the United States, this system is not sustainable.

The Mobile Telecommunications Sourcing Act would create a simple, uniform method for determining how state and local jurisdictions tax wireless telecommunications. The only jurisdictions that would have the authority to tax mobile calls would be the taxing authorities of the customer's place of primary use, which would essentially be the customer's home or office.